



BOARD MEETING MINUTES

**Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa
July 10, 2013**

Board Members Present

Darlys Baum, Chair	Carmela Brown, Treasurer
David Greenspon, Vice Chair	Shaner Magalhães
Jeffrey Heil	Michel Nelson
Joan Johnson	Eric Peterson
	Ruth Randleman

Board Members Absent

None

Staff Members Present

David Jamison, Executive Director/Board Secretary	Geri Huser, Title Guaranty Director
Lori Beary, Community Development Director	Ashley Jared, Director of Communications
Jess Flaherty, Executive Assistant	Carolann Jensen, Chief Administration Officer
Jerry Floyd, HOME Program Analyst	Samantha Day, TGD Clerk
Cindy Harris, Chief Financial Officer	Amanda Jenkins, TGD Clerk
Steven Harvey, Chief Operating Officer	Katie Kulisky, Administrative Assistant
Deb Haugh, Director of Single-Family Production	Tim Morlan, Underwriter
David Vaske, LIHTC Manager	Nancy Peterson, LIHTC Analyst
Glenda Gaumer, Senior Housing Compliance Specialist	Wes Peterson, Director of Government Relations
Tammy Nebola, IADD Program Specialist	Mark Thompson, General Counsel
Stacy Cunningham, LIHTC Analyst	Steve Ferguson, IADD Program Specialist

Others Present

Jim Conlin, Conlin Properties	Jake Friedrichsen, State Treasurer's Office
Kris Saddoris, Hubbell Realty	James Smith, Dorsey & Whitney, LLP
Mark O'Brien, Raymond James	

Call to Order

Chair Baum called to order the July 10, 2013, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:09 a.m. Roll call was taken and a quorum was established with the following Board members present: Baum, Brown, Greenspon, Heil, Johnson, Magalhães, Nelson, Peterson and Randleman.

Consent Agenda

Chair Baum introduced the consent agenda and asked if anyone wanted to request that items be removed. There being no objections, Ms. Randleman made a motion to approve the consent agenda, which included the following:

Approval of Minutes of the June 5, 2013, IFA Board Meeting
Resolution ED 13-04A, Rowley Memorial Masonic Home Project
Resolution ED 13-05A, Maassen Dairy Farm Project
Resolution WQ 13-19, Non Point Source Loan for INHF, Pocahontas County, Cirks and Post Tract

On a second by Mr. Greenspon, the Board unanimously approved the consent agenda.

Administration

SUMMARY & OVERVIEW

Director Jamison introduced the new Iowa Agriculture Development Division (IADD) employees, Steve Ferguson and Tammy Nebola, to the Board. Chair Baum welcomed the IADD staff and stated on behalf of the Board that they look forward to working together and learning more about the IADD programs.

ELECTION OF OFFICERS

Chair Baum asked for nominations for the IFA Board Officers. Mr. Peterson made a motion to nominate the slate of officers as follows: Chair Baum to remain Board Chair, Mr. Greenspon for Vice Chair and Ms. Brown to remain Treasurer. On a second by Mr. Nelson, the Board unanimously approved the slate of officers.

ACCOUNTING AND FINANCE

Review of Financial Statement

Mr. Harvey presented the May 2013 financial results. As a housing agency, year-to-date net operating income of \$29,093,876 is favorable to budget by \$8,394,491.

The State Revolving Fund year-to-date net operating income of \$41,555,927 is \$442,003 unfavorable to budget.

MOTION: On a motion by Ms. Brown and a second by Ms. Randleman, the Board unanimously accepted the May 2013 financial statement.

Consideration of FY14 Budget

Mr. Harvey stated that there had been no changes to the budget since the proposed budget submitted in June and that he had received no comments on the proposed budget. Mr. Greenspon asked about the line item for the roof of the building. Mr. Harvey stated that it was the intent to move forward with having a new roof put on the building as well as fixing some stone on the front of the building that had been damaged because of the leaking roof.

MOTION: On a motion by Ms. Brown and a second by Mr. Magalhães, the Board unanimously approved the FY14 budget.

Consideration of Internal Swap Policy

Ms. Harris introduced the topic of the Swap Policy and stated that the policy had been included in the packet. She stated that there was currently no policy and she felt it was good practice to create a policy with parameters for the use and reporting of derivatives while allowing some flexibility for staff to make decisions. Mr. Nelson stated that he fully supported the policy and felt it was necessary to have a policy in place for staff.

MOTION: On a motion by Mr. Nelson and a second by Ms. Randleman, the Board unanimously approved the Internal Swap Policy.

Resolution FIN 13-09, Authorizing Proceedings – Interagency Agreement between IFA and IEDA for Energy Loans

Ms. Harris stated that the agreement is very similar to the agreement that was approved in November between IFA and DAS for the Energy Loans. The Energy Loan program has now been moved to IEDA and a new agreement with IEDA is needed. Ms. Harris stated IFA's role in the program will remain the same.

MOTION: On a motion by Mr. Heil and a second by Mr. Greenspon, the Board unanimously approved Resolution FIN 13-09.

Resolution FIN 13-10, Multifamily Loan to Park Run Associates of Le Claire, L.P.

Mr. Morlan introduced the resolution, details of the project and the developer's need for the refinance. He stated that the loan would be \$1 million, 10-year term, and a 30-year amortization and there will be a fixed rate at closing. The estimated savings to the developer is over \$53,000 per year.

MOTION: On a motion by Mr. Peterson and second by Ms. Randleman, the Board unanimously approved Resolution FIN 13-10.

COMMUNICATIONS

Ms. Jared announced that the 2013 HousingIowa Conference will be held in Coralville on September 4-6, 2013. She said there were nearly 500 attendees last year, and that more professional training sessions will be offered this year, increasing the conference from two days to three days. She stated that Board members and the public can register for the conference now.

Ms. Jared noted that the SRF program had recently sent letters to notify communities who qualify for the lower interest rate on SRF loans. She stated that letters had also been sent to the state legislators notifying them of the refinance savings within their districts.

Ms. Jared stated that she had been working closely with the new IADD staff on updating their marketing materials, branding, website and communications with their partners. She stated that there are a lot of little things that take place when bringing in a new division to uphold agency-wide branding standards.

Ms. Jared reminded the Board of the ongoing social media "Under Construction" contest to increase awareness of IFA programs and an opportunity to send out IFA program materials. The entries can be submitted through July 31, and voting will take place August 1-16 on the IFA Facebook page.

Lastly, she informed the Board of the current Request for Proposal (RFP) for a housing locator service on the IFA website. Ms. Jared stated she will keep the Board updated on the responses to the RFP and that the goal is to announce the winning vendor in August.

Community Development

ECONOMIC DEVELOPMENT LOAN PROGRAM

Amending Resolution ED 408E

Ms. Beary stated that IFA issued bonds in 1985 for Corporate Center Associates Project. The borrower is converting from a Limited Partnership to a Limited Liability Corporation. The resolution allows IFA to execute any documents needed to change the borrower's name.

MOTION: Mr. Nelson made a motion to approve the Resolution authorizing the execution of an Affirmation of Obligations and Amendment Agreement relating to the Authority's \$6,000,000 Small Business Development Revenue Bonds (Corporate Center Associates L.P. Project), Series 1985. On a second by Mr. Heil, the Board unanimously approved Amending Resolution ED 408E.

IOWA AGRICULTURE DEVELOPMENT DIVISION

Consideration of Previously Approved IADA Loans

Ms. Beary reviewed the conduit bond process and liability for the IADD. She stated that as a conduit issuer IFA has no liability. The IFA Board needs to approve the loans due to IADD now being a division of IFA. Ms. Beary stated that the summary for each resolution was included in the packet and needs approval to move forward. Mr. Nelson clarified that IFA, as the issuer, will have no liability of the bonds.

MOTION: On a motion by Mr. Heil and second by Mr. Peterson, the Board unanimously approved all of the previously approved IADD loans.

HousingIowa

Resolution HI 13-12, Notice of Intended Action: Chapter 12, Low-Income Housing Tax Credits, 2014 Qualified Allocation Plan (QAP)

Mr. Vaske presented Resolution HI 13-12 as the draft of the 2013 Qualified Allocation Plan (QAP) and outlined the process of the Notice, accepting comments, public hearing and finalization of the QAP. He stated that the QAP will be presented for final approval in October. Mr. Vaske thanked staff and Mr. Peterson, Ms. Brown and Mr. Nelson for their hard work and time to create the draft 2014 QAP. Mr. Thompson noted that the Resolution approves the Draft QAP and the Notice of Intended Action with the corrected dates for the rules timeline.

MOTION: Ms. Brown made a motion to approve Resolution HI 13-12. Following a second by Mr. Peterson the Board discussed proposed amendments.

Mr. Peterson thanked Mr. Vaske, the other Board members and the LIHTC staff for all of their work and effort in the long process to draft the 2014 QAP. Mr. Peterson requested to make an amendment to page 29 of the red-line draft QAP to add the developer fee and maximum points on the section to 15 into the QAP in order to receive as many comments as possible.

Ms. Brown withdrew her original motion to approve Resolution HI 13-12 in order to allow for the amendment proposed by Mr. Peterson.

MOTION: On a motion by Mr. Peterson and second by Mr. Nelson, the Board unanimously approved the amendment to page 29 of the red-line draft QAP which adds the developer fee and maximum points on the section to 15 back into the QAP.

Mr. Peterson requested to make an amendment to page 25 of the red-line draft 2014 QAP in the market appeal section. Mr. Peterson requested the points for the section be changed from 20 to 30.

MOTION: On a motion by Mr. Peterson and second by Mr. Greenspon, the Board unanimously approved the amendment to page 25 of the red-line draft 2014 QAP to change the points from 20 to 30 for the market appeal section.

Ms. Randleman requested clarification, prior to final approval of the final QAP, to section 6, category 5, for the community revitalization plan. She would like to have a better definition of what a community revitalization plan is. Ms. Randleman noted that the current definition needed to be discussed and clarified. Ms. Jensen stated that the staff will be looking into the definition and requesting feedback from the cities to obtain information needed to clarify.

MOTION: On a motion by Mr. Nelson and second by Mr. Peterson, the Board unanimously approved Resolution HI 13-12 as amended.

Resolution HI 13-13, HOME Program CHDO Award

Ms. Jensen stated that the resolution would approve a \$50,000 CHDO grant to Community Housing Initiative (CHI) in conjunction with their 2012 project in West Heights. Ms. Jensen stated that CHI is the state's largest CHDO and that they have met all requirements to receive the grant.

MOTION: On a motion by Mr. Greenspon and a second by Mr. Heil, the Board unanimously approved Resolution HI 13-13.

Title Guaranty Division (TGD)

Ms. Huser reported that Title Guaranty ended FY13 very well and that the staff is working to clean up the remaining items from the fiscal year. She stated that new CAP program RFP is out and she expects to receive responses through the end of August. Ms. Huser noted that the Title Guaranty Board will be meeting in August to review the rules that had been changed in regards to inspecting waived title plants. Lastly, Ms. Huser introduced two new TGD staff members: Ms. Samantha Day and Ms. Amanda Jenkins.

Ms. Brown asked for an update regarding staff members moving in the building to create higher efficiency for the department staff. Ms. Huser reported that with the approval of the FY14 budget IFA will be proceeding to remodel the area in need of asbestos abatement and the new design to increase the number of staff that can work in that area.

Miscellaneous Items

Receive Comments from General Public

Chair Baum opened the public comment period and asked if anyone in the audience would like to address the Board.

There being no audience members wishing to address the Board, Chair Baum closed the public comment period.

Mr. Jamison thanked the Board for their time and commended Mr. Vaske and his staff for the work and effort to move the allocation time for the LIHTC Awards from June to March in order to better assist the developers.

Adjournment

There being no further business, on a motion by Mr. Magalhães and a second by Mr. Peterson, the July 10, 2013, regular monthly meeting of the IFA Board of Directors adjourned at 11:56 a.m.

Dated this 7th day of August 2013.

Respectfully submitted:

Approved as to form:

David D. Jamison
Executive Director/Board Secretary
Iowa Finance Authority

Darlys Baum, Chair
Iowa Finance Authority

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